



Marcus Andrade <ceo@amlbitcoin.com>

As promised I outline my thinking below

1 message

David Cohen <davidcohenfamily@hotmail.com>

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To: "Marcus Andrade (ceo@amlbitcoin.com)" <ceo@amlbitcoin.com>

Good morning Marcus,

As promised I outline my thinking on a proposed transaction below.

I realize that you want to make more money than is presently proposed to you. Undoubtedly, you have read stories about how Mark Zuckerberg (Facebook) turned down buy-out offers and went on to become one of the richest men in the world - thinking this could be you. I respect and appreciate people who have a dream, but there are times in life when one has to realize that a good chunk of a pie is better than no pie and starving. This is one of those times. In my personal business career as a leader and advisor to other very successful investors I have seen countless examples of founders missing key opportunities to sell only to end up regretting it for the rest of their lives. You never read about the tens of thousands of these failure stories but just about the one in a million stories which are more interesting.

On the table (or soon on the table, once we can get in there and make the offer real) is a potential \$100 million buyout. The group is very real, and their interest is very real - contingent on their attorneys' due diligence.

I realize that, for some reason, you are angry at Jack, but angry people don't make deals - they usually blow them. So, I hope you can put emotion aside and look rationally at what's on the table.

At this time, as I understand it, you have no other serious funding options (other than whatever you can get from a loan against the house and other assets). You have no real, tangible prospect of a large investor coming to the rescue, enabling you to continue on your development path for this project. It is not productive at this point to get into the reasons why this is the case, but it is the case. The people who have been involved in this project who could have introduced you to major financing are not willing to do so at this time (other than Jack), so you are left with a great option on the table - but it's probably the only option.

If you take this option, and sell to this group, you will make a huge score, pay your creditors, satisfy your coin purchasers (including me), show the investigating authorities that this was not only not some fraud, but was a fantastic business proposition - with no room for any complaints since everyone will be satisfied.

If you wisely invest your family money (and I'm oversimplifying and treating your individual interest and your kids trust as collectively your family) - even if you were to receive \$30,000,000-\$40,000,000 and I believe it will be more than that - you could live the life of a very well off man, and take care of your family for several generations. You would also relieve the stress that must be tearing you apart inside.

You'll be the hero. The rich hero. You'll be sought after for advice and asked to participate in many other deals. Life would be great.

If you decide, however, to pass up this deal, there is no telling where things will go. The odds of you finding another major funding source while the coin trades at pennies, and while you have not been able to do anything yet with the patents are remote. And the prospect of the coin trading higher than this price are really remote as well - since there are no resources to capture the imagination of that community.

Obviously, as a significant coin holder, I want only the best for the project. I don't want to lose my money, as I am sure none of the coin holders want. A worst case scenario going forward would be a disaster for all of us, but you must come to realize that it is a far more likely scenario than you finding a large financial partner.

If you let this life preserver float away, for whatever reason, you can imagine on your own the possible bad outcomes several of which I have listed at the bottom of this email in blue.

I am in no way threatening you; I am trying to present you with possible outcomes so you can make a rational and unemotional decision.

If you opt to sell, you will have a company that has committed \$100 million to buy the assets, and possibly another \$100 million to turning the enterprise into a success. You will retain a large amount of digital currency that may enable you to achieve super wealth. And you won't have the stress and headaches and incur legal and other expenses to make that happen....the buyer will.

According to what I have read about them, the prospective buyer has been playing in the billions of dollars for a while, and according to Jack, they are keen to invest to make this into everything all of us ever hoped for. And you could win mightily if they do... but in the meantime, you will already be financially set even if they flop.

Speaking of Jack, I don't know why your relationship has fallen apart, but that is not important at this point. Love him or hate him, he has a life preserver in his hands for you. You are going to pay him for it, but you are going to benefit more than anyone and more than you have ever in your life.

As we discussed my understanding is you have agreed to compensate Jack with 30% of any gross proceeds from all of the three companies and I am proposing 10% for me. That leaves you and your family 60% before paying anyone else you need to pay. I am a respected business person used to dealing with very large and complex transactions. Deals are hard to get done and you will respect and appreciate the professionalism I will bring to a process and I believe my involvement and experience will maximize the chances of having a successful outcome and present potential additional upside for all.

If this is something you want to pursue I will take charge of such a process. However I am not interested in an exercise in futility so let's discuss if you want to move forward or say no to this opportunity. If you do wish to move forward, you need to do so rapidly, or the opportunity will disappear on its own. Time kills all deals and this group is already wondering why this is taking so long.

Lastly thank you for taking the time to read this and considering my approach.

Regards

-David

David A. Cohen

Some possible bad outcomes include:

1. Some of the coin holders filing fraud actions in court.
2. Some of the creditors suing for past debts and seeking to attach assets to foreclose upon.
3. Perhaps one of the patent violators taking the project to court to undo the patents. While they may not succeed under normal circumstances, a full blown legal case is not something you have the resources for and people with resources beat people who have none almost always in civil court.
4. The federal investigation by the FBI moves from investigation to grand jury indictments, with the attendant publicity killing any chance for the project. At that point, no one will want to get anywhere near this.
5. The federal criminal tax investigation of you moves forward with the federal government seizing the patents and your other companies and assets under their asset forfeiture laws - all in advance of obtaining a ruling against you, but enough to put the blood in the water for your competitors.
6. You completely run out of money and are forced to put the project and your companies into bankruptcy. Some people see bankruptcy as a protection, but this is not always the case. In fact, the court appointed trustee would be in charge, and likely move to fire sale assets to pay creditors and coin holders.